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**CHINA BEST GROUP HOLDING LIMITED**

**國華集團控股有限公司\***

*(Incorporated in Bermuda with limited liability)*

**(Stock Code: 370)**

## **VOLUNTARY ANNOUNCEMENT BUSINESS UPDATE**

This announcement is made by China Best Group Holding Limited (the “**Company**”, together with its subsidiaries, the “**Group**”) in order to keep the shareholders of the Company and potential investors informed of the latest business development of the Group in relation to the metaverse project on voluntary basis.

On 31 March 2022, Beijing Gong Sheng Data Technology Co., Ltd.\* (北京共生數據科技有限公司) (“**Beijing Gong Sheng**”), and Beijing Speedy Audiovisual Technology Co., Ltd.\* (北京快視聽科技有限公司) (“**Beijing Speedy Audiovisual**”) entered into a cooperation framework agreement (the “**Framework Agreement**”), pursuant to which the parties will cooperate with each other and endeavour to develop the metaverse related businesses in five major aspects, namely, (i) building offline entertainment scene, including content production and game design; (ii) promotion and sales of digital collections and artwork; (iii) production, promotion and marketing of IPs; (iv) provision of solutions for connecting reality and visual world as a metaverse; and (v) building and operation of overseas platform for digital collections and artwork. The Framework Agreement has an effective period of three years from the date of signing during which period the parties would formulate concrete business plans and enter into definitive agreements, if such plans materialised, on project basis.

Beijing Gong Sheng is a company incorporated under the laws of the People’s Republic of China (the “**PRC**”) with limited liability and an indirect wholly-owned subsidiary of the Company. It was set up by the Group for the metaverse project and will develop and operate the whole industry chain of metaverse.

\* For identification purpose only

Beijing Speedy Audiovisual is a wholly-owned subsidiary of Beijing Sumavision Technology Co., Ltd.,\* (北京數碼視訊科技股份有限公司)(“**Sumavision**”) which is listed on the Shenzhen Stock Exchange (stock code: 300079). Beijing Speedy Audiovisual is principally engaged in operating distribution of digital collections and developing metaverse related business in brand name of “Dong Yi Yuan Dian\* (洞壹元典)”. As a brand of Beijing Speedy Audiovisual, Dong Yi Yuan Dian is dedicated to build a platform of complete ecology for digital collections under the metaverse system, with focus on the exploration and promotion of new business and new ecology. Currently, Dong Yi Yuan Dian has become an influential digital collections operating platform in the PRC by mapping physical objects into digital collections and entering into the metaverse with digital collections as the link.

Sumavision group is the world-class digital video technology and service platform provider, which was jointly established by Tsinghua Science Park and the core team of Sumavision group in year of 2000. It is committed to video, encryption, quantum, AI technology and platform-wide services solution building and provides services to more than one billion customers in over 110 countries or districts.

For the cooperation with Beijing Speedy Audiovisual, the Group mainly took into account the advantages of the copyright resources, extensive experience in the operation of digital collections and mature technical capabilities possessed by Beijing Speedy Audiovisual, which will contribute to the development of digital collections opportunities for IPs created or licensed under the Group’s metaverse businesses, as well as the construction, operation, marketing and promotion of offline entertainment experience scene in the metaverse, thereby realising the mutual interaction of the metaverse online and offline businesses. In view of Sumavision group’s solid technological innovation ability, strong R&D team and proven track record of successful cases, the Group is confident in this cooperation.

The board of directors of the Company (the “**Board**”) considers that the entering into the Framework Agreement is beneficial to the Group’s strategies and plans in relation to the metaverse project and represents a good opportunity for the Group to explore and expand metaverse related businesses. The Board is of the view that the cooperation contemplated under the Framework Agreement, if materialized, would bring in satisfactory return to the Group in the long run and enable the Group to further strengthen its revenue base. As such, the Board considers that the entering into the Framework Agreement is in the interests of the Company and its shareholders as a whole.

The Company will keep its shareholders and potential investors informed of any material development in connection with the Framework Agreement by way of further announcement(s) as and when appropriate in compliance with the requirements of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited.

By Order of the Board  
**China Best Group Holding Limited**  
**Mr. Qin Jie**  
*Executive Director and Chief Executive Officer*

Hong Kong, 31 March 2022

*As at the date of this announcement, the Board comprises five executive directors, namely, Ms. Wang Yingqian (Chairman), Mr. Qin Jie (Chief Executive Officer), Mr. Fan Jie, Mr. Li Haitao and Ms. Tao Lei, and four independent non-executive directors, namely, Mr. Ru Xiangnan, Mr. Liu Haiping, Mr. Liu Tonghui and Ms. Yin Meiqun.*

\* *The English transliteration of the Chinese name(s) in this announcement, where indicated, is included for information purpose only, and should not be regarded as the official English name(s) of such Chinese name(s).*